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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/901,954	07/10/2001	James E. Templeton	PAY00-003	7267
22200	7590	01/21/2005	EXAMINER	
PARK, VAUGHAN & FLEMING LLP			NGUYEN, NGA B	
702 MARSHALL STREET			ART UNIT	PAPER NUMBER
SUITE 310			3628	
REDWOOD CITY, CA 94063				

DATE MAILED: 01/21/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/901,954	TEMPLETON ET AL.	
	Examiner	Art Unit	
	Nga B. Nguyen	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 10 July 2001.
- 2a) This action is **FINAL**. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1-41 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 1-41 is/are rejected.
- 7) Claim(s) _____ is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All b) Some * c) None of:
1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
 Paper No(s)/Mail Date, 6/28/04; 3/9/04; 6/27/03;
- 4) Interview Summary (PTO-413)
 Paper No(s)/Mail Date, 10/27/04.
- 5) Notice of Informal Patent Application (PTO-152)
- 6) Other: _____.

DETAILED ACTION

1. This Office Action is the answer to the communication filed on July 10, 2001, which paper has been placed of record in the file.
2. Claims 1-41 are pending in this application.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 1-7 and 10-28 are rejected under 35 U.S.C 101 because the claimed invention is directed to non-statutory subject matter, particularly, an abstract idea.

The claims, as presently claimed and best understood were reconsidered in light of the "Examination Guidelines for Computer-Related Inventions" and were found to be non-statutory. Discussion of the analysis of the claims under the guidelines follows.

Claims 1-7 and 10-28 merely manipulate an abstract idea that is not within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter.

As to claims 1-7 and 10-28, the claimed invention is not implemented on a specific apparatus; therefore, the invention is not directed to the technological arts. To be statutory, the utility of an invention must be within the technological arts. The

definition of "technology" is the "application of science and engineering to the development of machines and procedures in order to enhance or improve human conditions, or at least to improve human efficiency in some respect." (Computer Dictionary 384 (Microsoft Press, 2d ed. 1994)). When one looks to the present specification to determine what the applicant has invented, the invention appears to be a series of steps performed on a computer. It is clear that claims 1-7 and 10-28 are intended to be directed to the abstract method apart from the apparatus for performing the method. Therefore, claims 1-7 and 10-28 are non-statutory, because they are directed solely to an abstract idea without practical application in the technological arts.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

6. Claims 1-41 are rejected under 35 U.S.C. 102(b) as being anticipated by Talati et al (hereinafter Talati), U.S. Patent No. 5,903,878.

Regarding to claim 1, Talati discloses a method of verifying a customer's authority to use a financial instrument, comprising:

initiating one or more transactions using a financial instrument identified by a customer (column 4, lines 45-57; initiating one or more transaction using a credit card number, account number, etc. identified by an originator 50);

storing one or more attributes of said one or more transactions (column 5, lines 15-20 and figure 50; the originator 50 stores a list 100 includes the UTID, the amount, parities, etc. associated with each transaction generated by the originator);

receiving a set of proffered attributes (column 5, lines 7-12, the originator receives the transaction request and associated data fro the transaction administrator 60);

comparing said proffered attributes to said stored attributes (column 5, lines 15-20, the originator compares the UTID with a list 100 generated by the processor 70); and

accepting use of the financial instrument by the customer if said proffered attributes match said stored attributes (column 5, lines 20-32; the transaction is granted or rejected by the transaction administrator 60 based on the comparison results).

Regarding to claim 2, Talati discloses after said initiating, soliciting said proffered attributes from the customer (column 5, lines 35-40 and column 6, lines 25-32).

Regarding to claim 3, Talati discloses wherein said initiating comprises: initiating a first transaction involving the financial instrument with a first set of attributes; and initiating a second transaction involving the financial instrument with a second set of attributes different from said first set of attributes (column 5, lines 15-20 and figure 50; the originator 50 stores a list 100 includes the UTID, the amount, parities, etc. associated with each transaction generated by the originator).

Regarding to claims 4-6, Talati discloses wherein said storing attributes comprises storing a value of a first transaction in said one or more transactions, a

merchant identity of a first transaction in said one or more transactions, the number of said one or more transactions (column 5, lines 15-20 and figure 50; the originator 50 stores a list 100 includes the UTID, the amount, parities, etc. associated with each transaction generated by the originator).

Regarding to claim 7, Talati discloses wherein said storing attributes comprises storing a type of one of said one or more transactions (column 4, lines 50-52, the transaction may comprises a purchase, payment or request for an information document).

Regarding to claim 8, Talati discloses wherein said initiating comprises operating a transaction processor to electronically initiate said transactions (column 4, lines 45-50, the originator 50 initiates a transaction using processor 70).

Regarding to claim 9, Talati discloses wherein said receiving comprises electronically receiving said proffered attributes (column 8, lines 17-47).

Regarding to claims 10-12, Talati discloses wherein the financial instrument is a credit card, a debit card, or a bank account (column 4, lines 55-57).

Claims 13-24 have similar limitations found in claims 1-12 above, therefore, are rejected by the same rationale.

Claims 25-26 have similar limitations found in claims 1, 5 above, therefore, are rejected by the same rationale.

Claims 27-28 have similar limitations found in claims 1, 4 above, therefore, are rejected by the same rationale. Moreover, Talati discloses a bank account includes an account number and routing number (column 7, lines 25-45).

Claim 29 is written in computer software that parallel the limitations found in claim 1 above, therefore, is rejected by the same rationale.

Regarding to claim 30, Talati discloses a system for verifying a user's authorization to user an external financial account, comprising:

a transaction processor configured to initiate one or more transactions involving an external financial account identified by a user (column 4, lines 45-57; an originator 50 initiates a transaction using processor 70, the originator identity may comprise a credit card number, account number, etc.);

a memory configured to store a first set of details of said transactions (column 4, lines 58-60; the processor 70 is a personal computer, note that a personal computer always includes a memory; column 5, lines 15-20 and figure 50; the originator 50 stores a list 100 includes the UTID, the amount, parities, etc. associated with each transaction generated by the originator);

a user interface configure to receive a test set of details (column 4, lines 58-65); and

a processor configures to compare said first set of details and said test set of details (column 5, lines 15-20, the originator compares the UTID with a list 100 generated by the processor 70).

Regarding to claim 31, Talati discloses said processor is further configured to authorize the user to user the external financial account if said test set of details matches a predetermined subset of said first set of details (column 5, lines 20-25).

Regarding to claim 32, Talati discloses where said transaction processor is coupled to an ACH (Automated Clearing House) transaction handler (column 8, lines 1-15).

Regarding to claims 33-35, Talati discloses where said transaction processor is coupled to a credit card service provider which is merchant acquirer, a credit card gateway provider (column 5, lines 50-67 and figures 3-6; a credit card transaction between a clinet 50, merchant 55 and credit authority 60).

Regarding to claim 36, Talati discloses where said transaction processor is configures to construct said one or more transactions prior to their initiation (column 4, lines 45-57).

Regarding to claim 37, Talati discloses a computer server for operating said user interface (column 4, lines 58-65).

Regarding to claim 38, Talati discloses wherein said computer server is further configured to construct said one or more transactions prior to their initiation by said transaction processor (column 4, lines 45-65).

Claims 39-41 are written in means that contain similar limitations found in claims 30, 31 above, therefore, are rejected by the same rationale.

Conclusion

7. Claims 1-41 are rejected.
8. The prior arts made of record and not relied upon is considered pertinent to applicant's disclosure:

Blonder et al. (US 5,708,422) disclose an automated method for alerting a customer that a transaction is being initiated and for authorizing the transaction based on confirmation/approval by the customer.

Checchio (US 6,052,675) discloses the method and apparatus for pre-authorizing transactions include providing a communications device to a vendor and credit card owner.

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (703) 306-2901. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on (703) 308-0505.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 306-1113.

10. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks
C/o Technology Center 3600
Washington, DC 20231

Or faxed to:

(703) 872-9326 (for formal communication intended for entry),
or

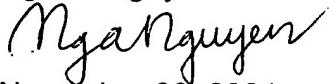
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(703) 308-3691 (for informal or draft communication, please label
“PROPOSED” or “DRAFT”).

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal
Drive, Arlington, VA, Seventh Floor (Receptionist).

Nga B. Nguyen



November 23, 2004